

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

RREF SNV ACQUISITIONS, LLC,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil Action File
	)	No. 1:11-cv-04171-TWT
GREENVILLE, AL HOTEL, LLC,	)	
ANJEBHAI D. PATEL,	)	
DHARMENDRA D. PATEL,	)	
KISHOR PATEL and HAMENT D.	)	
PATEL,	)	
	)	
Defendants.	)	
_____	)	

NOTICE OF FILING RECIEVER'S MONTHLY REPORT  
(APRIL 2012)

COMES NOW, McGlashan Hospitality, LLC, the Court-appointed receiver ("Receiver") under that certain Order Appointing Receiver ("Order") dated January 11, 2012 [Docket No. 14], submits this Notice of Filing Receiver's Monthly Report as follows:

1. The Order directs the Receiver to prepare monthly financial reports, regarding the value, profitability, operations and expenses of the Greenville, Alabama Hotel ("Hotel").

2. Pursuant to said Order, attached hereto as Exhibit A is the Receiver's  
Monthly Report for the month of April, 2012.

Respectfully submitted this 15<sup>th</sup> day of May, 2012.

s/ Jason B. Godwin  
Jason B. Godwin  
Georgia Bar No. 142226  
Busch, Slipakoff & Schuh, LLP  
3350 Riverwood Parkway  
Suite 1550  
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Phone: (770) 790-3550  
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jgodwin@bssfirms.com  
*Attorney for the Receiver*

CERTIFICATE OF SERVICE

I hereby certify that on May 15, 2012, I electronically filed the foregoing and the exhibit hereto with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

Attorneys for RREF SNV ACQUISITIONS, LLC:

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s/ Jason B. Godwin  
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[jgodwin@bssfirms.com](mailto:jgodwin@bssfirms.com)  
*Attorney for the Receiver*

**CERTIFICATION OF COUNSEL**

I hereby certify that the foregoing Answer has been prepared in Times New Roman, 14 pt. font, one of the font and point selections approved by the Court in Local Rule 5.1(c).

s/ Jason B. Godwin  
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*Attorney for the Receiver*

EXHIBIT A – RECEIVER’S MONTHLY REPORT – April 2012

Tuesday, May 15, 2012

***Court Appointed Receiver Report GR004 to:***

RRSEF SNV ACQUISITIONS, LLC (Plaintiff)

And

GREENVILLE, AL HOTEL, LLC  
CIVIL ACTION FILE No: 1:11-CV-04171-TWT

RECEIVER: McGLASHAN HOSPITALITY, LLC (MH)  
Report completed and presented by: Euan McGlashan, Managing Partner, McGlashan Hospitality, LLC

Onsite team:

Mr. Ed Hauptmann  
Mr. Sidney Rucker  
Ms. Lisa Gorge  
Mr. Euan McGlashan

Subject property:

**QUALITY INN & SUITES, GREENVILLE, ALABAMA (QI)**



**McGLASHAN HOSPITALITY LLC**



3350 Riverwood Parkway, Suite 1500 • Atlanta, Georgia 30339 • 770.547.7184 • [mcglashanhospitality.com](http://mcglashanhospitality.com)

To whom it may concern.

This report contains mainly up-to-date financial information on current operations with some additional notes submitted below within the Executive Summary. All commentary and reporting is factual and unbiased.

**Written Summary.**

***Overview of select items.***

The hotel, despite soft trading continued to fund its operations through the month of April.

The Merchant Services Account transfer has finally been completed with a switch from American Express to BB&T.

In April, we were required to pay \$414 in pre-petition expenses for the fire inspection in order to ensure ALS continues to maintain our fire protection services.

In April, a female guest suffered a very minor foot injury when one of the poorly installed granite soap dishes in the shower fell on her foot. We completed an accident report and paid for her stay. To date, no files have been charged.

With the above as a constant reminder and following on from the April report when we once again discussed in detail the many and varied maintenance and poor construction items the building suffers; we have employed the services of a maintenance firm from Atlanta – Outsource Construction, Inc. – arriving on property May 14<sup>th</sup>. As noted above, poor maintenance and construction has led to several conditions existing within the hotel where faulty install and poor work quality has resulted in lost business and an inferior product in the marketplace. Outsource Construction are working through a detailed list of items. The cost to repair ALL items is anticipated to be around \$25,000 which will require funding.

Additionally, given several guest requests (both long-term corporate and leisure) for somewhere to sit outside near the pool and grill, we are installing a 120 square foot slab and two pole mounted barbecue picnic grills in order to retain these travelers as Quality Inn guests.



**McGLASHAN HOSPITALITY LLC**



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Within Sales & Marketing and following three months of detailed due diligence within the market, we have determined visibility and poor signage to be the biggest cause of lower than planned occupancies. This in addition to sitting on the east side of the highway, with all our competitors on the west.

Our solutions to these visibility issues are:

1. Pole mounting the wall mounted property signage currently hidden by the Mexican Restaurant to above the restaurant roofline.
2. Negotiating a price for signage currently not in use in the gas station property directly off the highway exit north. This will create awareness for making a right turn instead of an automatic left.
3. Advertising ample truck parking. Currently there is limited truck parking in the market and many truckers don't stop at our Exit 130. Following research, it seems that many would and this could have a significant impact on occupancy.
4. Installing a new more visible sign at the turn in to the property.
5. Improved lighting around the property perimeter.

We are currently seeking all the city approvals and zoning / permitting for these changes as well as obtaining quotes for the signage. Given occupancy levels, we plan to expedite these projects ASAP prior to the summer season. This project will also require funding.

Upon completion of the maintenance items and signage project, we believe the hotel will enjoy increased occupancies and revenues, where we can then focus our efforts on continued Sales & Marketing efforts internally and with Choice Hotels International to stabilize the property performance and ensure fair market share within the competitive set.



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**Operations.**

We continue the search for a permanent General Manager candidate which given the property location and salary scale, is a slow process. McGlashan Hospitality employees continue to fill this role on a temporary basis.

The new staff in place have all completed training and thus far have been performing admirably.

The monthly financial report is submitted in conjunction with this report.

Yours sincerely,

Euan S. McGlashan  
Managing Partner,  
McGlashan Hospitality, LLC



**McGLASHAN HOSPITALITY LLC**



**Financial Report for Business**

For the Period Beginning April 1, 2012 and Ending April 30, 2012

Name of Entity: Greenville AL Hotel, LLC

Case Number: 1:11-CV-04171-TWT

Date of Receivership: January 23, 2012

1 CASH AT BEGINNING OF PERIOD	\$ 30,307.15
2 RECEIPTS:	
A. Cash Sales*	<u>27,308.29</u>
3 TOTAL RECEIPTS	<u>27,308.29</u>
4 TOTAL CASH AVAILABLE FOR OPERATIONS	<u>57,615.44</u>
5 DISBURSEMENTS	
A. PRE-PETITION EXPENSES	
a. Fire Inspection	<u>414.00</u>
Sub-Total Pre-Petition Expenses	<u>414.00</u>
B. POST-PETITION EXPENSES	
a. Accounting	2,500.00
b. Advertising	2,625.00
c. Bank Fees	6.37
d. Breakfast Food	1,619.77
e. Cable	1,371.22
f. Contributions	75.00
g. Franchise Fees	3,893.12
h. News Papers	105.00
i. Net Payroll	10,373.66
j. Office Supplies	135.73
k. Payroll taxes	4,824.75
l. Receiver/Management Fees & Expenses	5,478.77
m. Repairs & Maintenance	1,297.93
n. Sales Tax	4,585.05
o. Supplies	916.82
p. Telephone	510.53
q. Utilities	<u>4,047.55</u>
Sub-Total Post-Petition Expenses	<u>44,366.27</u>
6 TOTAL CASH DISBURSEMENTS	<u>44,780.27</u>
7 ENDING CASH BALANCE (Line 4 - Line 6)	<u>\$ 12,835.17</u>

\* April Credit Card deposits of \$32,342.82 was transferred from the pre-petition account on May 1, 2012. These are not reflected in the Cash Sales amount above.

## ATTACHMENT 2

**ACCOUNTS PAYABLE REPORT**

For the Period Beginning April 1, 2012 and Ending April 30, 2012

Name of Entity: Greenville AL Hotel, LLC

Case Number: 1:11-CV-04171-TWT

In the space below list all invoices or bills incurred and not paid since the filing of the petition.  
Do not include amounts owed prior to filing the petition.

<u>Date Incurred</u>	<u>Days Outstanding</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
4/30/2012		Alabama Dept of Revenue	State Sales Tax	\$ 1,353.49
4/30/2012		City of Greenville	City Sales Tax	2,637.25
4/30/2012		Choice International	Franchise Fees-April	4,396.63
4/30/2012		Alabama Dumpster	Trash Removal	151.90
4/30/2012		Alabama Power	Utilities	2,950.65
4/30/2012		Brighthouse	Cable	1,371.22
4/30/2012		Crace Galvis McGrath	Accounting Fees	2,500.00
4/30/2012		Greenville Water	Utilities	692.99
4/30/2012		McGlashan Hospitality	Management Fee	5,000.00
4/30/2012		SAEGD	Utilities	647.00
4/30/2012		Camellia Communications	Telephone	497.07
4/30/2012		Orkin	Pest Control	112.00
4/30/2012		Sysco	Breakfast Food	193.38
4/30/2012		Ed Hauptmann	Expense Reimbursement	160.93
4/30/2012		Lisa Gorge	Reimbursement for C/C Processing Transfer	200.00
4/30/2012		Lee Electric	Repairs	637.13
4/30/2012		US Treasury	941 Taxes	2,673.54
4/30/2012		US Treasury	940 Taxes	54.74
4/30/2012		AL Dept of Industrial Relations	AL Unemployment Tax	294.73
4/30/2012		AL Dept of Revenue	AL Withholding	433.50
Sub-Total Post-Petition Payables				<u>\$ 26,958.15</u>

In the space below are all invoices or bills incurred prior to the filing of the petition but considered essential to the continued operation of the hotel. These bills were included in funding requests but payment was withheld pending verification from outside sources, which was not finalized until February.

11/15/2011	Advance Solutions	Fire Alarm Repairs	\$ 336.00
1/12/2012	Choice Hotel International	2011 Interest Fees	2,070.26
11/22/2011	Creative Breakfast Concepts	Breakfast Supplies	103.68
8/1-10/31/11	David Stevenson	Lawn Care	450.00
10/11/2011	Laundry Lux	Washer Repairs	104.05
1/31/2012	Eco Lab	Housekeeping/Laundry Supplies-Jan 2012	228.00
Sub-Total Pre-Petition Payables			<u>\$ 3,291.99</u>
Total Accounts Payable			<u>\$ 30,250.14</u>

**ACCOUNTS PAYABLE RECONCILIATION (Post Petition-Only)**

Opening Balance (total from prior period)	\$ 19,466.04
Less: Payments of Prior Period Payables	(15,760.05)
Plus: New Indebtedness Incurred This Month	26,958.15
Plus: Prior Accounts Payable	3,291.99
Ending Month Balance	<u>\$ 30,250.14</u>

## ATTACHMENT 3

**BANK ACCOUNT RECONCILIATION**

For the Period Beginning April 1, 2012 and Ending April 30, 2012

Name of Entity: Greenville AL Hotel, LLC

Case Number: 1:11-CV-04171-TWT

A separate sheet is required for each bank account, including all savings and investments accounts, i.e. certificates of deposit, money market accounts, stocks and bonds, etc.

NAME OF BANK:	BB&T
ACCOUNT NAME:	McGlashan Hospitality-Quality Inn Greenville
ACCOUNT NUMBER:	82193
PURPOSE OF ACCOUNT:	Operating

Beginning Balance	\$ 26,042.53
Total Deposits Made*	27,308.29
Total Amount of Checks Written/Wires Sent**	42,346.86
Check Charges	3.37
Closing Balances	<u>\$ 11,000.59</u>

Number of First Check Written this Period	1071
Number of Last Check Written this Period	<u>1147</u>
Total number of Checks Written this Period	<u>35</u>

\* April Credit Card deposits of \$32,342.82 was transferred from the pre-petition account on May 1, 2012. These are not reflected in the Deposit balance above.

\*\* These amounts include \$12,000.00 transferred from the Operating Account to the Payroll Account.

## ATTACHMENT 3.1

**BANK ACCOUNT RECONCILIATION**

For the Period Beginning April 1, 2012 and Ending April 30, 2012

Name of Entity: Greenville AL Hotel, LLC

Case Number: 1:11-CV-04171-TWT

A separate sheet is required for each bank account, including all savings and investments accounts, i.e. certificates of deposit, money market accounts, stocks and bonds, etc.

NAME OF BANK: BB&T  
 ACCOUNT NAME: McGlashan Hospitality-Quality Inn Greenville  
 ACCOUNT NUMBER: 82215  
 PURPOSE OF ACCOUNT: Payroll

Beginning Balance	\$ 4,264.62
Total Deposits Made*	12,000.00
Total Amount of Checks Written/Wires Sent	14,427.04
Outstanding Checks	1,070.03
Service Charges	3.00
Closing Balances	<u>\$ 1,834.58</u>

Number of First Check Written this Period	1111
Number of Last Check Written this Period	1159
Total number of Checks Written this Period	<u>22</u>

\* This amounts include \$12,000.00 transferred from the Operating Account to the Payroll Account.

## ATTACHMENT 5

**CHECK REGISTER**

For the Period Beginning April 1, 2012 and Ending April 30, 2012

Name of Entity: Greenville AL Hotel, LLC

Case Number: 1:11-CV-04171-TWT

NAME OF BANK: BB&T  
 ACCOUNT NAME: McGlashan Hospitality-Quality Inn Greenville  
 ACCOUNT NUMBER: 82193  
 PURPOSE OF ACCOUNT: Operating

Account for All Check Numbers, Including Voided, Lost, Stopped Payments, Etc.

Date	Check Number	Payee	Purpose	Amount
4/1/2012	1108	Dow Jones	Newspapers	50.00
04/01/2012	1070	WalMart	Breakfast Food	98.20
04/16/2012	1071	WalMart	Breakfast Food	66.50
04/16/2012	1072	WalMart	Breakfast Food	41.27
04/20/2012	1073	Walker Business Machines	Office Supplies	135.73
04/20/2012	1074	Burt Hess	Pool Cleaning	100.00
04/24/2012	1075	Lee Cash & Carry, Inc.	Repairs	289.03
04/06/2012	1112	Ed Hauptmann	Expenses	119.84
04/06/2012	1113	Alabama Dumpster	Trash Removal	151.90
04/06/2012	1114	Alabama Power	Utilities	2,679.22
04/06/2012	1115	Brighthouse	Cable	1,371.22
04/06/2012	1116	Cardon's	Breakfast Food	102.00
04/06/2012	1117	Crace Galvis McGrath, LLC	Accounting Services	2,500.00
04/06/2012	1118	Gene's Lawn Service	Lawn Maintenance	190.00
04/06/2012	1119	Greenville Water	Utilities	846.71
04/06/2012	1120	McGlashan Hospitality	Management Fees	5,000.00
04/06/2012	1121	Southeast Alabama Gas District	Utilities	521.62
04/06/2012	1122	Sysco Gulf Coast, Inc	Breakfast Food	194.73
04/10/2012	1123	Advance Solutions Inc.	Pre-Petition Fire Inspection	414.00
04/10/2012	1124	Alabama State Police Association	Donation	75.00
04/14/2012	1125	Ed Hauptmann	Pool Repairs	455.00
04/16/2012	1126	VOID		0.00
04/16/2012	1127	Camellia Communications	Telephone	510.53
04/16/2012	1128	Choice Hotels Intl	Franchise Fee	3,893.12
04/16/2012	1129	Ecolab	Housekeeping & Laundry Supplies	218.73
04/16/2012	1130	HD Supply	Supplies	698.09
04/16/2012	1131	Lamar	Advertising	2,100.00
04/16/2012	1132	Sysco Gulf Coast, Inc	Breakfast Food	877.48
04/16/2012	1133	Ed Hauptmann	Expenses	284.73
04/16/2012	1134	Dow Jones	Newspapers	55.00
04/16/2012	1135	Orkin	Pest Control	112.00
04/17/2012	1136	City of Greenville	Sales Tax	3,022.04
04/26/2012	1145	Ed Hauptmann	Expenses	74.20
04/26/2012	1146	Market America	Advertising	525.00
04/26/2012	1147	Sysco Gulf Coast, Inc	Breakfast Food	239.59
04/27/2012	e File 1	Alabama Department of Revenue	Withholdin Payroll Withholdings	771.37
04/20/2012	EFTPS	Alabama Department of Revenue	Sales Tax	1,563.01
		Total		<u>30,346.86</u>

## ATTACHMENT 5.1

**CHECK REGISTER\***

For the Period Beginning April 1, 2012 and Ending April 30, 2012

Name of Entity: Greenville AL Hotel, LLC

Case Number: 1:11-CV-04171-TWT

NAME OF BANK: BB&T  
 ACCOUNT NAME: McGlashan Hospitality-Quality Inn Greenville  
 ACCOUNT NUMBER: 82215  
 PURPOSE OF ACCOUNT: Payroll

Account for All Check Numbers, Including Voided, Lost, Stopped Payments, Etc.

Date	Check Number	Payee	Purpose	Amount
04/06/2012	1111	VOID		-
04/06/2012	1112	VOID		-
04/06/2012	1113	VOID		-
04/06/2012	1114	VOID		-
04/06/2012	1115	VOID		-
04/06/2012	1116	VOID		-
04/06/2012	1117	VOID		-
04/06/2012	1118	VOID		-
04/06/2012	1119	VOID		-
04/06/2012	1120	VOID		-
04/06/2012	1121	VOID		-
04/06/2012	1122	VOID		-
04/06/2012	1123	VOID		-
04/06/2012	1124	VOID		-
04/06/2012	1125	VOID		-
04/06/2012	1126	VOID		-
04/06/2012	1127	VOID		-
04/06/2012	1128	VOID		-
04/06/2012	1129	VOID		-
04/06/2012	1130	Amanda Trent	Payroll	332.22
04/06/2012	1131	Dustin C Stinson	Payroll	489.21
04/06/2012	1132	Felicia I Patterson	Payroll	475.48
04/06/2012	1133	Helen E Johnson	Payroll	253.50
04/06/2012	1134	Kimberely A Hess	Payroll	528.08
04/06/2012	1135	Kimberly K Hartley	Payroll	550.90
04/06/2012	1136	Paisley A Hill	Payroll	541.95
04/06/2012	1137	Wendy N. Jenkins	Payroll	381.32
04/06/2012	1138	Ed Hauptmann {}	Payroll	1,609.67
04/18/2012	1139	Amanda Trent	Payroll	448.18
04/18/2012	1140	Dustin C Stinson	Payroll	441.32
04/18/2012	1141	Ed Hauptmann	Payroll	1,609.67
04/18/2012	1142	Felicia I Patterson	Payroll	403.41
04/18/2012	1143	Julia M Eaddy	Payroll	136.87
04/18/2012	1144	Kimberely A Hess	Payroll	476.08
04/18/2012	1145	Kimberly K Hartley	Payroll	552.56
04/18/2012	1146	Paisley A Hill	Payroll	669.84
04/18/2012	1147	Wendy N. Jenkins	Payroll	473.40
04/19/2012	1148	VOID		0.00
04/19/2012	1149	VOID		0.00
04/19/2012	1150	VOID		0.00
04/19/2012	1151	VOID		0.00
04/19/2012	1152	VOID		0.00
04/19/2012	1153	VOID		0.00
04/19/2012	1154	VOID		0.00
04/19/2012	1155	VOID		0.00
04/19/2012	1156	VOID		0.00
04/19/2012	1157	VOID		0.00
04/19/2012	1158	VOID		0.00
04/27/2012	1159	State of Alabama Dept of Industrial	Payroll Tax	690.16
04/13/2012	E-pay	Department of the Treasury	Payroll Tax	543.15
04/13/2012	E-pay	Department of the Treasury	Payroll Tax	2,658.23
04/13/2012	E-pay	United States Treasury	Payroll Tax	161.84

Total

\$ 14,427.04

\* The excessive number of voids this month were due to a formatting issue with the checks. This issue has been resolved.